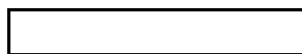


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12 January 1959



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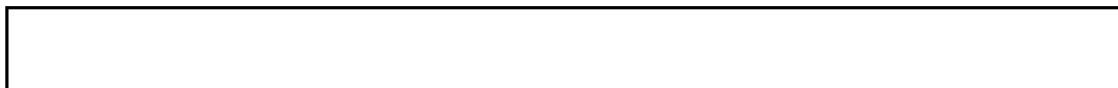
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CENTRAL INTELLIGENCE BULLETIN



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CENTRAL INTELLIGENCE BULLETIN

12 January 1959

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DAILY BRIEF

I. THE COMMUNIST BLOC

ok
USSR: The Soviet note of 10 January calling for a conference in Warsaw or Prague within two months to conclude a German peace treaty and to discuss the Berlin question are elaborations of the basic points made in Mikoyan's aide-memoire to Secretary Dulles. The Soviet leaders probably believe the West will reject a conference on these terms and that this reaction could be used to justify a subsequent Soviet move transferring to the East Germans control of Allied access to West Berlin. The harshly restrictive nature of the military and territorial provisions of the Soviet proposal is likely to antagonize West German elements hitherto favorable to peace treaty negotiations leading to reunification. (Page 1)

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ok
USSR - Netherlands: The Hague has apparently agreed to accept Vyacheslav Molotov as Soviet ambassador to the Netherlands. If carried out, Molotov's appointment would remove him from an area important in Sino-Soviet relations, and would indicate that he has temporarily escaped any further punishment for his "antiparty" activities. It would also place one of the USSR's most experienced diplomats near the center of NATO activity in Europe.

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II. ASIA-AFRICA

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III. THE WEST

OK Belgium - Belgian Congo: [The new policy for the Congo to be announced by Brussels on 13 January is said to be liberal in scope and envisages Congolese independence in "a few years." African political leaders, however, will probably distrust Belgian promises and will continue restive. The reported new policy could also provoke the European settler minority in the eastern Congo.]

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OK Cuba: Fidel Castro and other leaders of the politically dominant 26 of July Movement have declared that the Popular Socialist (Communist) party (PSP) will now be permitted to operate as a legal party "since freedom of political action is guaranteed by the constitution."

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12 Jan 59

DAILY BRIEF

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I. THE COMMUNIST BLOC

USSR Calls for Conference on German Peace Treaty

The Soviet notes to the Western powers calling for a conference in Warsaw or Prague within two months to conclude a German peace treaty and to discuss the Berlin question are intended as a major demonstration of Soviet flexibility and desire to negotiate. The Soviet leaders probably believe the West will reject a conference on these terms but that this initiative, combined with possible future "concessions," such as including East Berlin in the free-city proposal, will make it more difficult for the West to react firmly to subsequent Soviet action to transfer control over Allied access to West Berlin to the East Germans.

The Soviet draft treaty is essentially a formula for the neutralization of Germany. The central theme of the Soviet draft is that Western recognition of the existence of two German states is the indispensable precondition for any progress toward a German settlement. According to the draft treaty, representatives of both German states would participate in the negotiation and signing of a treaty, as well as representatives of a German confederation if this should be formed by the time a treaty is ready for signature.

The proposal for a peace conference within two months is intended to place Moscow in the most advantageous position to exploit growing pressures, particularly in West Germany and Britain, for a general review of the West's policy on German reunification and European security. The draft treaty provides for such key "disengagement" features as the withdrawal of foreign troops from Germany, a ban on German possession and production of nuclear weapons and other instruments of mass destruction, as well as bomber aircraft and submarines, and a prohibition on German participation in any military alliances directed against any of the signatory powers.

The Soviet proposals on Berlin are made an integral part of the draft treaty. The Soviet notes again warn that Western refusal to negotiate will not prevent the USSR from "renouncing its functions in Berlin" and transferring control over Allied access to the East Germans.

East German party boss Walter Ulbricht has already called for preparatory discussions between Bonn and his regime concerning the Soviet proposals. East German official statements are even more uncompromising than Moscow's notes and appear to be setting the stage for advancing the claim that East Germany is the only legitimate German state and the East Berlin municipal council, the only legitimate government for the whole city.

25X1 The treaty's emphasis on restrictive military, territorial, and political provisions, which would reduce a reunified Germany to the status of a satellite, will probably antagonize even those West German elements who have supported peace treaty negotiations as a means of expediting reunification. Bonn circles have already pointed out that denial of political asylum and prohibitions on "revanchist" activities would enable the Soviet Union to interfere at will on the pretext of a treaty violation. A weak German confederation within present boundaries will be unacceptable to all West German political parties, although opposition parties will probably insist on accepting the principle of negotiations, in the hope of bargaining for better terms.

[REDACTED]

[REDACTED] 25X1

Netherlands Agrees to Molotov as Soviet Ambassador

The Hague has apparently agreed to accept Vyacheslav Molotov as Soviet ambassador to the Netherlands. The Kremlin proposed the appointment several weeks ago, presumably before Khrushchev's latest attack against the "anti-party group" at the Soviet party central committee plenum last month. If now carried out, this assignment would effectively end any contacts with Peiping Molotov may have made during his tour as ambassador to Outer Mongolia. It had been rumored that he and the Chinese Communists have been conspiring to force Khrushchev to adopt a hard line in Soviet foreign affairs. It would also place one of the USSR's most experienced diplomats near the center of NATO activity in Europe.

A new diplomatic post for Molotov would indicate that he has escaped, at least temporarily, any further punishment for his antiparty activities. This would not necessarily be true for the other members of the anti-Khrushchev faction. There have been several recent indications that further action--perhaps expulsion from the party--is being planned for some of its members.

Actually, Molotov has always received favored treatment as compared with other members of the group, even though he has been under verbal attack almost as much as has Malenkov. Molotov has been able to spend more time in Moscow and probably received a better job in comparison with those given Malenkov, Kaganovich, Bulganin, and Shepilov. Molotov as a symbol of the link with Stalin and Lenin continues to have considerable prestige within the party, which may inhibit Khrushchev from removing him completely from the public scene.

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III. THE WEST

New Belgian Policy Toward Congo

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[The Belgian Government's new policy toward the Congo, which will be announced on 13 January as originally drafted without reference to the recent riots in Leopoldville, is to be liberal in scope, [redacted] Purportedly, it will grant limited autonomy preparatory to full independence in "a few years." Specifically it calls for full equality between Belgians and Congolese and for elections this year by universal male suffrage. Territorial councils will be set up to consider local matters, and "subsequently," a deliberative assembly with legislative powers will be established. Economically the Congolese will be treated on the same basis as the Europeans, with equal access to schools and public institutions.]

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[Although the new policy is quite forward-looking, it is unlikely to ease appreciably the present nationalist and economic unrest in the Congo. African political leaders are likely to be suspicious, and in view of the sharp break with Belgium's "paternal" policies and desires for a Belgo-Congolese federation, they may distrust the Belgians' desire to implement such a revised policy. The leaders in the Leopoldville area are aroused at the Belgians' wholesale arrest of leading Africans, particularly Joseph Kasa-Vubu, the president of Abako, the leading nationalist organization. Most of the African mayors of Leopoldville districts have reportedly threatened to resign in protest.]

[The new policy may provoke reactions from other sections of the Congo which have not been affected directly by the Leopoldville rioting. The European settler minority, particularly in the eastern Congo, has on occasion expressed apprehension about proposed reforms to increase native participation. Any European agitation against the proposed policy could provoke an African reaction in the highly developed and mineral-rich Katanga area beyond that attributable to the present nationalism in the area which has spread from Rhodesia.] [redacted]

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New Cuban Government Will Apparently Permit Communists
Considerable Freedom

Communists will probably be excluded from most offices of the new Cuban Government, but it is doubtful that the Communists will be repressed, [REDACTED]

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nearly all officials of the government of Provisional President Urrutia are anti-Communists, but seem completely unaware of the Communist threat. Leaders of the Montecristi group, a small organization of respected business leaders which actively opposed the ousted Batista regime, are concerned over the emergence since the fall of Batista of the Communists' Popular Socialist party (PSP) and intend to encourage the government to take a stand against the Communists.

Fidel Castro and other leaders of the politically dominant 26 of July Movement have declared that the PSP will now be permitted to operate as a legal political party, "since freedom of political action is guaranteed by the constitution." The PSP, with a membership last reported at 8,000 to 12,000, has already gained a recognized minority voice in organized labor since Batista's fall, although there are some indications that labor groups loyal to Fidel Castro may actively oppose it in labor. On 10 January, the Communists in Havana held their first public rally since Batista outlawed their party in 1953. The Communist daily newspaper, Hoy, has resumed publication, and the party has opened offices in Havana and Santiago.

Top Communist labor leader Lazaro Pena is reported by the Cuban press to have returned from exile on 9 January. He is a dynamic, intelligent Negro who has probably retained much of the considerable popularity he enjoyed when last in the country. In exile since 1954, he is an official of both the Communist Confederation of Latin American Workers and the World Federation of Trade Unions and has made frequent trips to Prague and Moscow during the last four years. [REDACTED]

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